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HENRIETTA M. LARSON, *Editor*

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**Aspects of Labor Administration in the  
Early Nineteenth Century**

The striking problem faced by the labor administrator in the early Connecticut button industry was the shortage of native skilled artisans. While unskilled laborers, bookkeepers, and even managers could be drawn from sources in this country, highly skilled artisans were usually available only in England. The shortage of skilled labor thus truly constituted the bottleneck to quality production. In the correspondence of Alexander Hamilton, for the year 1791, there is a letter from one John Mix, pewter button-maker of New Haven, reporting that he was going to produce diverse kinds of buttons. This was possible "because we have a person lately from Europe who has the skill perfectly who is a gentleman who is able and has engaged to instruct and teach us everything necessary in the making of them."<sup>1</sup>

Even thirty and forty years later this dependence upon "persons from Europe" was still the most striking feature of the labor problems in brass-button production. Buttons of a sort could be made by American trained workers, but native workmen could not produce brass buttons of high quality so efficiently as could the skilled workmen of England. Indeed, it was said that gold to the

<sup>1</sup>Arthur H. Cole, editor, *Industrial and Commercial Correspondence of Alexander Hamilton* (Chicago, 1928), pp. 51-52.

value of three dollars was needed by the Americans to gild a gross of the best quality buttons, whereas three pence worth of gold sufficed for the Englishmen to obtain equally good results.<sup>2</sup>

Much light is cast upon the labor aspects of brass-button production during the eighteen twenties and thirties by records carefully preserved in the archives of the Scovill Manufacturing Company in Waterbury, Connecticut. The history of this company may be traced back to Abel Porter & Company, established in 1802, which was succeeded by Leavenworth, Hayden & Scovill in 1811. In 1827 James M. L. Scovill of the latter firm joined with his brother, W. H. Scovill, in the partnership of J. M. L. and W. H. Scovill. The Scovill partnership—and related enterprises established by the Scovills—remained in business until succeeded in 1850 by the Scovill Manufacturing Company, which continues to this day as one of the nation's outstanding brass-product manufacturers.<sup>3</sup>

The first skilled laborer in the enterprise of Abel Porter & Company was Silas Grilley, a native American. This worker's experience was gained in local production of cast-pewter buttons similar to those John Mix had been producing in 1791. Later David Hayden, a skilled mechanic, came to the concern from Attleborough, Massachusetts, where cast buttons were being made. In 1817 Daniel Hayden came to the firm after having had experience in Samuel Slater's employment. These American workers, while useful, were not altogether satisfactory.<sup>4</sup>

Efforts were made to bring over English workers as early as 1814. In May of that year Leavenworth, Hayden & Scovill received a letter from Perkins & Nichols, of New York, reporting that "Capt. Adams returned yesterday from England. he states that he could not procure your Burnishers, but was very near being arrested for trying to procure him." Such records lend some credence to the stories current in brass-industry tradition con-

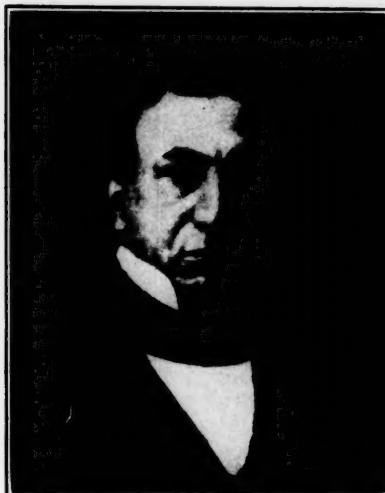
<sup>2</sup>William G. Lathrop, *The Brass Industry in the United States* (Mount Carmel, Conn., 1926), pp. 42-43.

<sup>3</sup>In the study of Scovill history generous assistance was given the writer by the General Manager's Office of the Scovill Manufacturing Company.

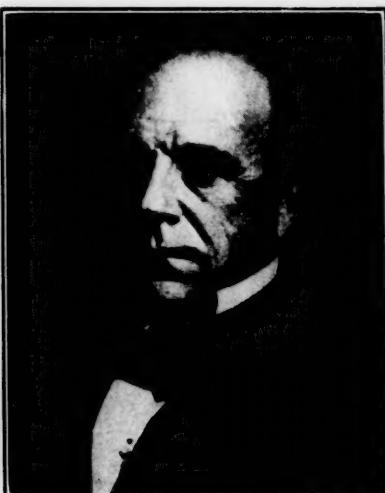
<sup>4</sup>Documents concerning the earliest period of Scovill history are fragmentary, and some of the data on this period are gathered from *The Town and City of Waterbury*, Joseph Anderson, editor (New Haven, 1896), vol. ii, pp. 275 ff. Volumes i and iii of this work also contain background information on the history of the enterprise.

cerning the shipment of English workmen out of the country concealed in barrels. Even if the legal obstacles to emigration of skilled workmen could be surmounted, there were other difficulties. One George Dee wrote that, when he gave the month's notice required before his resignation, his employers gave him three pounds for staying on with them and raised his salary ten pounds per year.<sup>5</sup>

Sometimes the workers brought to this country were no better than native workers. The managers of a competing brass concern found an imported worker so incorrigible and untrustworthy that the workman's passage back to England was paid in order to have him out of the country.<sup>6</sup> It appears that prior to 1820 English



J. M. L. SCOVILL



W. H. SCOVILL

J. M. L. Scovill was responsible for sales and purchases; he spent much of his time in New York and Philadelphia. W. H. Scovill had charge of production and financing; he spent most of his time in Waterbury, with frequent trips to the banks at New Haven and Litchfield.

workmen had been tried in the enterprise, for when in that year the managers had word there was a skilled English workman

<sup>5</sup>George Dee to Scovill's, July 2, 1831.

<sup>6</sup>John A. Coe, "Development of the Brass Industry," *Fifty-Fifth Annual Report of the Connecticut Society of Civil Engineers* (1939), p. 86.

available in Philadelphia they replied that "they had tried English workmen enough."<sup>7</sup>

Contrary to their expectations this Englishman, one James Croft, proved to be very valuable to the concern. In his letter of application, he wrote that he had learned both gilding and burnishing in Birmingham, England. He also wrote that he was under contract to go to England for importers in Philadelphia and might bring back tools on his return, and he did return to England that same year to obtain equipment and workmen, especially a tool-maker, but he was back in Philadelphia with a man in September.<sup>8</sup> Croft remained in the employ of Leavenworth, Hayden & Scovill for about a year, during which time he initiated a great many improvements in methods and product.<sup>9</sup>

More workers were obtained from England as time passed. In 1829 Israel Holmes, Scovill's bookkeeper and store manager, was sent to England to secure a variety of skilled workmen. A final letter of instructions from the Scovill partners to Holmes reviewed the Scovill needs. They wrote that they were interested in one Eaves, who was especially desirable because he was both a die-sinker and a tool-maker, but they made the following observations to guide Holmes in case he should be "disappointed" in getting Eaves: "it is a first rate tool maker that we want the most. . . . As to Salary you will probably have to give from 6 to 800\$. . . . A general knowledge of Tool making & keeping a Factory moving is what we want most of the two." A caster and a plater were needed, and also a roller if he would come out on his own account. Eaves, however, was by no means to come out on his own account. Holmes was to make certain Eaves was bound to Scovill's before he left.<sup>10</sup>

Holmes succeeded in concluding such a contract with Eaves as the Scovills had requested. On April 14 he wrote them from Birmingham:

I have at length arrived in Birmingham & found Mr. Eaves on the very eve of leaving having given up all hopes of seeing your Agent.

<sup>7</sup>Lathrop, *op. cit.*, p. 43.

<sup>8</sup>James Croft to F. Leavenworth, Jan. 23, 1821, and Sept. 25, 1821; James Croft to Leavenworth, Hayden & Scovill, June 26, 1821.

<sup>9</sup>Wm. James Pape, *History of Waterbury and the Naugatuck Valley* (Chicago, 1918), vol. i, p. 206; Anderson, *op. cit.*, vol. ii, p. 276.

<sup>10</sup>J. M. L. and W. H. Scovill to Israel Holmes, Feb. 23, 1829.

Beneficts people [competitors] worked the card well they smelt the Rat. Mr. Eaves has three letters from them. . . . But I have carried the day and won my cocked up Hat tho' at a dear rate. I have aggred to give him \$900 per annum. . . . Benedict and Croft in their letters were as wise as serpents if not altogether as harmless as doves.

Holmes also succeeded in procuring a number of other skilled workmen. The workers, together with their wives and children, are said to have made up a party of some twenty persons.<sup>11</sup> Returning on the same ship with Holmes were nine persons, including children. The agent not only had to provide passage money for this group, but he also was obliged to purchase provisions for the long ocean trip which might easily take fifty to sixty days.<sup>12</sup>

The manager who had spared no pains or expense in thus bringing his skilled workers to this country was anxious to hold them under contract. The contracts between Scovill's and these skilled workmen ran for five or even six years. For example, a contract between Scovill's and William Eaves, June 15, 1829, ran five years. This contract was renewed in 1835 to run for six years. The contract with one Jeffrey, dated March 8, 1836, ran for five years. Such contracts proved a disadvantage to the firm in depression years. In 1837, as business came to a standstill, J. M. L. Scovill wrote his brother, "We had better pay our hands to do nothing than increase our liabilities" by purchasing materials for them to work with.<sup>13</sup>

The English workers demanded favorable contracts and were in all ways most independent. This came clearly to the fore on an occasion when an English worker was discharged by J. M. L. Scovill, whose usual task was sales and purchases. W. H. Scovill wrote his brother with joy, "I have wanted it to happen this long time but have been fearful of having the mill burned or something else happen."<sup>14</sup> It is clear that, although there was no labor organization, the manager was obliged to take careful note of the demands of the skilled laborers. The skilled men objected strenuously to the addition of new experts.

An interesting situation arose when Scovill's hired W. M.

<sup>11</sup>A vivid account of Holmes' difficulty in evading the English restrictions on enticing away workmen is given in Anderson, *op. cit.*, vol. ii, pp. 322 ff.

<sup>12</sup>Receipt issued to Israel Holmes, Apr. 27, 1829, showed £19 13s 6½d spent for provisions.

<sup>13</sup>J. M. L. Scovill to W. H. Scovill, Apr. 13, 1837.

<sup>14</sup>W. H. Scovill to J. M. L. Scovill, July 24, 1835.

Pemberton, a plater. On January 22, 1833, J. M. L. Scovill wrote to his brother from New York that Pemberton was going up to the factory and that "I have told him he must be careful & keep the right side of Rollason." It proved impossible to hire Pemberton and yet retain Rollason's goodwill, and, in July, J. M. L. Scovill wrote to his brother that Rollason had "quit work." In due course of time Pemberton was permanently established at Scovill's. J. M. L. Scovill later met another plater fresh from Birmingham, and sent him to Waterbury on trial. W. H. Scovill was disturbed by this action, fearing it would antagonize Pemberton: "I allmost regret your sending Jeffreys up at this time. . . Pemberton was about making an arrangement with Doolittle to make the plated mettel."<sup>15</sup> Two days later, however, the relations between Jeffrey and Pemberton were friendly, and W. H. Scovill could write: "Pemberton appears better pleased with Jeffrey than I feared he would shall give him a trial at casting as soon as the copper arrives he is boarding for the present with Pemberton."<sup>16</sup> Jeffrey became a permanent employee, and eight months later his wife was brought from Liverpool.<sup>17</sup>

It is interesting to note that, touchy as the skilled workmen may have been, they were nonetheless paid by Scovill's only in such manner and at such time as the Scovills were in the habit of paying their other hands.<sup>18</sup> Indeed, one labor contract suggested that payment would be made "as we usually pay our hands he taking what trade he may want for his family use from our store."<sup>19</sup> Even a contract offered to John Sandland, which provided for payment every fortnight, stipulated that payment should be "in cash or by an order on L. H. & Scovill."<sup>20</sup> Provisions, furniture, or clothing might be obtained from the company store.

During the 1820's there was an effort on the part of Scovill's to lead the way in cash payment of wages. One contract in 1829 provided: "the said Scovills agree to pay the said Eaves any time when requested by him so to do the whole or any part of the wages

<sup>15</sup>W. H. Scovill to J. M. L. Scovill, Feb. 6, 1836.

<sup>16</sup>*Ibid.*, Feb. 8, 1836.

<sup>17</sup>W. H. Marshall to W. H. Scovill, Oct. 1, 1836.

<sup>18</sup>Contract with Joseph Jeffrey, Sept. 30, 1840.

<sup>19</sup>Contract with Marlo B. Frost, Jan. 4, 1841.

<sup>20</sup>Contract with John Sandland, Oct. 12, 1825. Sandland was unable to come to this country, however, until several years later.

due him at the time he shall make such request."<sup>21</sup> We find in a letter of about the same time to G. Taylor, New York agent of the Scovills, the comment that they had "adopted the plan of paying all our hands the cash every week if they wish."<sup>22</sup> However, with the stagnation of business and the stringency of money in the 'thirties, it was necessary to abandon this plan. On April 12, 1837, J. M. L. Scovill wrote to his brother in regard to paying their hands that he would not pay them at that time, and, if they did not like to take the Scovills' notes, he could "let them have Buttons or Notes we have agst. other People."

The skilled workers were sometimes paid an annual salary which was credited to the individual worker on the books of the company. The rates ranged from \$500 to \$1,400 a year. Piece rates were also used and appear to have been paid skilled workmen who



THE PLANT IN 1835

undertook to train apprentices. During the 'thirties two workers, Tompkins and Atkins, undertook a great deal of burnishing at rates ranging from 10 cents to 26 cents per gross. These two men took on apprentices and apprenticed one boy when he was only thirteen years of age.<sup>23</sup> The piecework scheme was undertaken by brass manufacturers as a device to induce skilled workmen to train apprentices.<sup>24</sup>

<sup>21</sup>Contract with William Eaves, June 15, 1829.

<sup>22</sup>Scovill's to G. Taylor, Apr. 4, 1829.

<sup>23</sup>*Scovill Manufacturing Company Bulletin*, vol. vi, no. 3 (July, 1920), p. 6. Article entitled "One Hundred Years Ago," including comments by Edward Terrell.

<sup>24</sup>From comments of Charles Somers Miller made available in manuscript form through the courtesy of the Somers Brass Company.

The unskilled workers were less difficult to obtain than were the skilled artisans. Numerous unsolicited letters of application for work were received from such persons. One Edward Nichols wrote: "I take this opportunity to informe you that as yet I am quite unsettled in business for the summer, And would agane apply to you for work. If it is in youre power to help me to work this summer I will engage for 16 Dollars per month."<sup>25</sup>

The unskilled workers employed by the Scovills were drawn mostly from agricultural activity in the surrounding region, and on occasion they were assigned to farm tasks. One letter indicates that an order was delayed because Buckingham, manager of the butt factory and brother-in-law of the Scovills, needed the hands to help in the harvesting of his hay. W. H. Scovill wrote: "If Buckinham gets through with his hay this week as he intends we shall begin to push the Buttons next week and I think it full time for us to begin to get out now or we shall be behind hand with the market."<sup>26</sup>

During times of depression the gardens adjoining the homes of the workers were of real value. As the panic brought business to a standstill during the spring of 1837, J. M. L. Scovill wrote to his brother: "You must tell all the hands as Gen. Houston did after taking Santa Anna when he disbanded the army, go home and PLANT CORN." He suggested hopefully that perhaps "Many of the Hands will want some time to make their Gardens & fix up about their places this spring."<sup>27</sup>

Women and children made up a large portion of the unskilled laborers employed in button production. During the year 1834 the Waterbury gilt button establishments employed 140 men and 100 women. The women were paid an average wage of \$2.50 per week, while the men averaged \$1.00 per day.<sup>28</sup> There is evidence that

<sup>25</sup>Edward Nichols to Scovill's, Feb. 25, 1819.

<sup>26</sup>W. H. Scovill to J. M. L. Scovill, July 16, 1838.

<sup>27</sup>J. M. L. Scovill to W. H. Scovill, Apr. 8 and 11, 1837.

<sup>28</sup>*Documents Relative to Manufactures of the United States*, 22nd Cong., 1st Sess., no. 308, vol. i, p. 1034.

The employment of women and children was rather general in early American industry. Indeed in Secretary of the Treasury Albert Gallatin's report of 1810 there is the statement: "Eight hundred spindles employ forty persons, viz: five men and thirty-five women and children." (*Documents, Legislative and Executive of the Congress of United States. American State Papers, Finance*, vol. ii, Report no. 325 on Manufactures, pp. 425-439.)

some of the women were brought in from points outside Waterbury. At one time a number of girls were obtained through a concern in Salemburg.<sup>29</sup> On another occasion it was reported that the partners' nephew, Scovill Buckingham, "has gone out in search of girls."<sup>30</sup>

There is no evidence that these workers ever developed any conspiracy or organization to raise wages. Indeed, the attitude toward labor organization which prevailed at the time was shown by a manufacturer in a nearby community who wrote of a "strange occurrence of the week before last in our cotton factory;—when it was entirely broken up by a combination and conspiracy, as illegal and unjust as it was unexpected."<sup>31</sup> He forwarded the names of the "principle ringleaders" in order that Waterbury employers might avoid hiring the women concerned.

Bookkeepers and overseers, like the skilled artisans, were not to be found in such plenty as were the unskilled workers. Bookkeepers of a sort could be found and might even submit unsolicited application. One applicant wrote: "Since I made an assignment of my property in Albany I have been unable to obtain a final discharge from my creditors in New York. Consequently I would prefer to be situated in an establishment like yours in the country."<sup>32</sup>

In 1834 J. M. L. Scovill wrote from Philadelphia that it was too bad W. H. Scovill had been obliged to pay more than \$500 per year for one Judd, a bookkeeper, "but still think it better than to go out of town for a person."<sup>33</sup> In the ensuing months W. H. Scovill discovered that low wages might not mean low labor cost, and a year later he wrote his brother to find out about one Bisbee (who wanted \$600 per year) and added the information that "Mr. Judd has left, and I am glad as it was more than I could do to rectify all his mistakes."<sup>34</sup>

Efficient overseers were also hard to find. In 1834 J. M. L. Scovill wrote from New York that there had been a complaint about button quality. He added: "there must no more be sent out unless we know they are tight & if you cannot get any one to look

<sup>29</sup>Spencer, Hotchkiss & Co. to Scovill's, Mar. 15, 1833.

<sup>30</sup>W. H. Scovill to J. M. L. Scovill, Feb. 6, 1836.

<sup>31</sup>John H. DeForest to "Mess Scoville," Aug. 31, 1835.

<sup>32</sup>S. B. Buell to Scovill's, Feb. 5, 1833.

<sup>33</sup>J. M. L. Scovill to W. H. Scovill, Mar. 10, 1834.

<sup>34</sup>W. H. Scovill to J. M. L. Scovill, Mar. 31, 1835.

them over who will attend to it we must doo it ourselves as it will not answer to loose our reputation in military work."<sup>35</sup> Indeed, even brother-in-law Buckingham might make managerial mistakes. W. H. Scovill wrote to his brother: "it is impossible to make Buckingham take that hold of the Business we could wish he will let off hands for the most frivolous excuses and does not look ahead about hiring before these are gone. Saml Williams is gone now only because B. did not speak to him that he wanted to hire him again."<sup>36</sup>

In conclusion one cannot resist commenting upon the varied types of business activity performed by the partners. Theirs was by no means a life of ease and leisure. W. H. Scovill wrote his brother in February, 1836, "I have been at work most of this foornoon getting Ice out of the Race." The other brother wrote from New York that he was helping to load buttons and copper. From his correspondence it appears that there were occasions when he "had not time to eat a mouthfull from Breakfast untill dark."<sup>37</sup> Indeed, it was only by means of diligence and imagination that the Scovills succeeded in surmounting the varied obstacles which they faced.

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<sup>35</sup>J. M. L. Scovill to W. H. Scovill, Apr. 19, 1834.

<sup>36</sup>W. H. Scovill to J. M. L. Scovill, Aug., 1836.

<sup>37</sup>J. M. L. Scovill to W. H. Scovill, Feb. 8, 1836.

## Business History at the Recent Meeting of the American Historical Association

In the November issue the BULLETIN called attention to two sessions concerned with business history that were scheduled for the annual conference of the American Historical Association last December. Space limitations permit only a brief report of the meetings, but their importance should not be overlooked.

The joint meeting of the Business Historical Society and the American Historical Association was devoted to the development of metropolitan economy in America with special reference to New York. Professor N. S. B. Gras, vice-president of the Business Historical Society, presided, and Professor Robert G. Albion

of Princeton University read the one paper of the session. His subject was the economic and business development of New York City. The discussion that followed was led by Dr. Virginia D. Harrington of Brooklyn College and Dr. Ralph W. Hidy of Wheaton College, Massachusetts.

It was made abundantly clear by Professor Albion's paper and the ensuing discussion that it is impossible to understand the development of New York City without much consideration of the work of the business men who were the creators and carriers of its economic development. Time-honored generalizations about why New York became the leading American city are certainly illumined and are in some respects proved false by the study of New York's business. The meeting brought out the need of more—indeed, much more—work on the history of business in New York and on the relation of that city's enterprise to the larger national and international activity. The failure of the speakers to consider the relation between business and the development of cultural institutions and of cultural life in general in New York City suggests that this attractive and important aspect of the history of the metropolis offers opportunity for rewarding study.

Professor Ralph M. Hower, a member of the Society's Council, read a paper on business history at the joint meeting of the Economic History Association and the American Historical Association. Professor Hower stressed the aims, values, and techniques of business history as it is now being studied and discussed the problems and opportunities in the field. Since this paper promises to be useful to many who would like a brief résumé of business history as an historical discipline, it will be published in an early issue of the *BULLETIN*.

The growing importance of business history was plainly manifest at this conference of the leading organization of American historians and fourteen affiliated groups devoted to special fields of historical study. All precedents were broken when two sessions gave prominent place to the discussion of business activities in the past. The two meetings at which the Business Historical Society was actively represented were marked by large attendance and lively discussion, and a number of historians present commented upon the widespread interest in the subject. It is evident that business history is steadily gaining recognition both as an independent discipline and as an important contributor to other fields of historical investigation.

## The Spanish Dollar

### The World's Most Famous Silver Coin

"Pieces of eight, pieces of eight!" screamed Captain Flint's parrot in Robert Louis Stevenson's *Treasure Island*. Yet, how many of us, who as youngsters dreamed over that tale of adventure, realized that the bird spoke the correct name for what our American and English forefathers called the Spanish dollar? For this most famous of all large silver coins was not truly Spanish but rather Spanish-American, and its very name, "dollar," was derived from the German! And too, the coin was not itself a monetary unit but a multiple of the Spanish *real*, just as the English crown is a multiple of the shilling. Let us trace its origin and remarkable career.

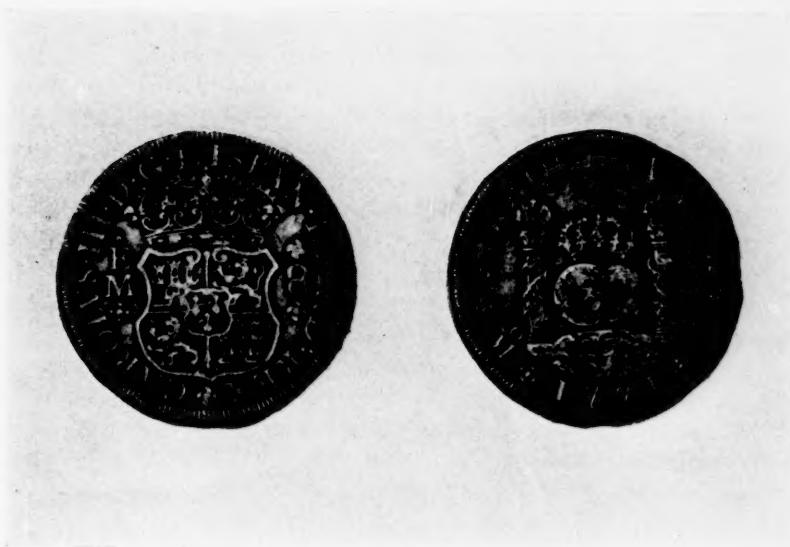
The Spanish *real* (about the size of, and with slightly more silver content than, a prewar English sixpence) was an extremely old denomination confirmed in 1497 by Ferdinand and Isabella as the Spanish monetary unit, following an ordinance in 1442 of John II. There is even mention of the fact that *reals* were coined by Pedro the Cruel before 1370. Multiples of four and eight *reals* were coined under Ferdinand and Isabella, although infrequently, and they are now very rare.

Twenty years after the discovery of America, in his exploitation of rich silver mines in the Joachimsthal in Bohemia the local lord, Count of Schlick, struck broad, heavy silver pieces of a high silver content, weighing some 451 grains each—much heavier than any silver coins then current. His coinage was large; the pieces, impressive by their size and weight, soon became esteemed throughout Germany and, quite naturally, acquired the name "thaler" from their origin in the Joachimsthal.

The coincidence, at this time, of coinage by machine rather than by the age-old method of handstriking, the introduction of the large *thaler* sized silver coin, and the opening of the unbelievably rich

silver mines of Mexico and Peru set the stage for a tremendous output of coins of silver from the Americas—colonial Spanish America—that remade the economic structure of Europe. And in all this the piece of eight *reals* was the supremely dominant coin.

In 1535 a colonial mint was opened in Mexico, to be followed later by ten other mints in that country and still others in Peru and Bolivia. While these local mints were beginning to function, silver was also being assayed and hammered into lumps equal in value to



A SPANISH DOLLAR OF CHARLES III

a piece of eight. These were often called *peso* (meaning unit of weight),<sup>1</sup> and here we find the origin of another world-wide name, *peso*, for the piece of eight.

Through the sixteenth and seventeenth centuries this coin, flowing in a steady stream from the Spanish Americas to Europe and the British colonies—both in the West Indies and North America—was called the “piece of eight” and rated lower in silver content

<sup>1</sup>The application of a weight name to a coin is not unusual, for example: pound (English), livre (French), mark (German), *onza* (Italian).

than the German *thalers*, which were appearing in increasing numbers in northern and central Europe especially after the close of the impoverishing Thirty Years' War. These *thalers* were becoming known as *reichsthalers* in Germany, *rixtalers* or *dalers* in Scandinavia, and *riksdalers* or *daalders* in the Lowlands. And when in 1690, following a great German monetary convention at Leipzig, the *reichsthaler* was reduced in fine silver content to almost exactly the value of the piece of eight, which by then was circulating widely (we might even say it was intruding into other monetary systems), English merchants had given the name "Spanish" dollar to the ubiquitous piece of eight.<sup>2</sup> So from "eight times the unit" the coin became in English-speaking lands "the unit—a Spanish dollar," and the lower denominations became its subdivisions, a *real* becoming "one bit" or one-eighth of a dollar. So widely was this nomenclature adopted in the British possessions that even now twenty-five cents (one-quarter of a dollar—once two *reals*) is spoken of in many parts of our country as two bits.

During its long history the Spanish dollar presented itself in several types, those most familiar to our forefathers first bearing on the obverse the Spanish arms, while the reverse showed the well-known design of two globes between the pillars of Hercules. Beginning with Charles III the obverse carried the head of the monarch with the two globes being replaced by the shield of Spain between the pillars on the reverse. These "pillar dollars" were exclusively a Spanish-American product, for the pillars of Hercules appeared on coins struck in Spain only after the colonial revolutions of 1821. Up to that date the colossal sum of over two billions of dollars had been struck in silver coins in Mexican mints alone!

As so often happens in coinage systems the "Spanish dollar" shrank slightly in fine silver content, but through the American Revolution it retained its place as the dominant "hard-money" piece in the Colonies which, using English monetary terms, had established local moneys of account, the Colonies differing from each other as to standards. For example, Massachusetts currency was rated at nine pence sterling; New York shillings went at two to one

<sup>2</sup>The word "dollar" appears several times in Shakespeare. In its career the piece of eight had many names, such as *peso*, *peso de a ocho*, *peso duro*, *duro*, *peso fuerte*, *piastre*, *matten* (in the Dutch East Indies, from Malay *mateo*, meaning measure), *thaler*, *dollar*, *tallero*, *pillar dollar*, *colonnato* (in the Orient), and *Shanghai dollar*.

English, and so on. But almost all of the silver that actually circulated in Revolutionary days was not English but Spanish, or rather Spanish-American. This meant another calculation; one *real* equaled nine pence Massachusetts currency, a shilling and a penny in New York, and eleven pence in Pennsylvania. To us, educated to a single decimal currency, this makes a hopeless jumble.<sup>3</sup>

And then, with the establishment of the United States and of the dollar as our monetary unit, came the first great break away from the old systems.<sup>4</sup> The amount of silver in the average Spanish dollar then in circulation in the United States became the standard for our dollar. While it is true that this average weight was several grains lighter than that of freshly minted Spanish dollars, it would have been impractical to take full weight as standard, for then the new coins would have been more valuable than the current ones and would have been hoarded, melted down, or exported, and in any case would have disappeared. Few of us realize that Spanish dollars remained legal currency in the United States up to only a few years before the Civil War.

After the Spanish-American colonies had gained their independence, the Mexican dollar inherited the place and prestige of its parent, and from that time up to the outbreak of the World War Mexico coined far more than another billion dollars in silver. The Mexican pieces, which ran surprisingly even as to silver weight and fineness, soon displaced the older Spanish coins in the Philippines, China, and the Orient generally, as well as in parts of the western hemisphere, where each of the former Spanish colonies based its coinage, nominally at least, on the old systems.<sup>5</sup>

<sup>3</sup>Those familiar with our Colonial and Continental paper money will remember its numerous and often odd denominations based sometimes on the local currencies and sometimes on the Spanish milled dollar.

<sup>4</sup>In the sense that the dollar became the basic unit for a decimal monetary system. In 1776 Congress had divided the Spanish dollar into 90 pence (Pennsylvania currency), New York rated it at 96 pence, while in New England it passed for 72 pence Massachusetts currency.

<sup>5</sup>By the middle of the nineteenth century the general adoption of decimal currency denominations in Europe led most of Latin America to take the same action. Mexico was the last country to abandon the *real* when in 1890 she decimalized the Mexican dollar. The great rise in the price of silver after the end of the World War in 1918 made Mexican dollars worth more as bullion than as money with the result that, like England, Mexico debased her silver coins, and the old-fashioned standard Mexican dollar, child of the Spanish dollar, entered the ghostly realm of historic coins.

Other well-known coins or currency units patterned on the Spanish dollar were, or are, the ill-fated United States trade dollar, the Japanese *yen*, the French *piastre de commerce*, the Hong Kong mint dollar, the Canton, and numerous other Chinese dollars, so that our piece can justly claim not only to be the world's most famous silver coin but also to have had over several centuries a profound influence on currencies and trade the world over.

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